



# FACT SHEET

## LICENSING AND CERTIFICATION DIVISION ALCOHOL AND/OR OTHER DRUG (AOD) RECOVERY OR TREATMENT FACILITIES FREQUENTLY ASKED QUESTIONS

AUGUST 2011

### Licensed vs. Unlicensed Facilities

#### 1. What facilities must be licensed by the Department of Alcohol and Drug Programs (ADP)?

The Licensing and Certification Division (LCD) is responsible for licensing adult residential nonmedical alcohol and/or other drug (AOD) recovery or treatment facilities. The California Code of Regulations (CCR), Title 9, Division 4, Chapter 5, Section 10501(a)(27), defines a Residential Alcoholism or Drug Abuse Recovery or Treatment Facility as "any facility, building, or group of buildings which is maintained and operated to provide 24-hour, residential, nonmedical alcoholism or drug abuse recovery or treatment services."

#### 2. What facilities do not require licensure by ADP?

- Facilities that provide a cooperative living arrangement (sometimes referred to as a sober living environment, transitional housing, or alcohol- and drug-free housing) for persons recovering from alcohol and/or other drug problems.
- Facilities with licenses from other departments (e.g., group homes licensed by the Department of Social Services, and chemical dependency recovery hospitals licensed by the Department of Public Health).

### Licensed vs. Certified Facilities

#### 3. What is the difference between a licensed and a certified facility?

Any residential facility providing one or more of the following services to adults must be licensed: alcohol or drug detoxification; group, individual or educational sessions; and/or recovery or treatment planning. Note: Nonmedical outpatient AOD programs are not required to be licensed.

In addition to licensure, ADP provides a voluntary certification process to identify facilities that meet a minimal level of service quality and are in substantial compliance with ADP's standards. Certification is available to both residential and nonresidential facilities. Obtaining certification is considered advantageous in gaining the confidence of potential residents and third-party payers.

#### 4. What kind of services can I expect to find in a licensed facility?

Residential facilities provide nonmedical services to individuals who are working to overcome an addiction to alcohol and/or other drugs. Services include detoxification; group, individual or educational sessions; and/or recovery or treatment planning. In addition, a licensed facility may offer individualized services, such as vocational and employment search training, community volunteer opportunities, new skills training, peer

support, social and recreational activities, and information about and referral to appropriate community or ancillary services.

### **5. Who do these facilities serve?**

Residential facilities serve persons 18 years of age and older and may also serve a limited number of adolescents (14 years and older) by applying for and obtaining a waiver from ADP. Some facilities allow dependent children to reside with their parents. Licensed facilities are mandated to display their license in a public location, which indicates the treatment capacity and the population the facility is allowed to serve.

### **Locating a Facility**

#### **6. I am looking for an alcohol and/or drug facility. How do I locate one and how can I tell if it is licensed and/or certified?**

LCD maintains a list, categorized by county, of licensed and/or certified facilities. Residential facilities are required to be licensed and may be certified, and outpatient/nonresidential facilities may be certified. You also may call a facility to find out about their licensure or certification status. ADP directories can be accessed at:

[http://www.adp.ca.gov/help/aod\\_help.shtml](http://www.adp.ca.gov/help/aod_help.shtml)

In addition, each county has a list of facilities that can be obtained by contacting the alcohol and drug program county office. Contact information for your county is available at:  
[http://www.adp.ca.gov/Advisory/administrator\\_list.pdf](http://www.adp.ca.gov/Advisory/administrator_list.pdf)

### **7. Will ADP recommend a facility?**

ADP will not recommend a facility. ADP assures that facilities meet mandated requirements through the licensing and certification process. ADP suggests that individuals research potential facilities to find the one that best meets their needs. As mentioned above, you may contact your County Alcohol and Drug Program Administrator for names and descriptions of facilities in your county. You may also contact ADP to request any information regarding complaints that have been filed against any particular licensed and/or certified facility.

### **8. How does one pay for services?**

Payment for services is arranged by agreement between the client and the facility. Some facilities receive federal and state funds through contracts with counties. Although costs may vary, any recovery or treatment service fee must be outlined in the written agreement between the client and the facility at the time of admission.

### **Starting a Facility**

#### **9. What is the process for licensing an AOD facility?**

Prospective applicants must first have a location where they plan to provide nonmedical alcoholism or drug abuse recovery, treatment or detoxification services.

The applicant must also complete an initial application, submit an approved fire clearance from the local fire authority, and pay all applicable, nonrefundable fees.

The licensing application process includes a thorough review of these areas of a proposed facility: fire and water supply

safety; plan of operation; total occupancy and treatment capacity determination; reporting requirements; personnel requirements; personnel records; admission agreements; health screening; resident records; clients' personal rights; telephones; transportation; health-related services; food service; recreational or social activities; building and grounds; indoor and outdoor activity space; storage space; fixtures; furniture; and equipment.

Finally, the applicant must pass a facility on-site inspection conducted by ADP to determine compliance with all applicable laws and regulations. When the applicant is in compliance with all requirements, ADP will issue a license valid for two years.

For more information regarding the requirements for AOD licensure and/or certification, call (916) 322-2911, or write:

*Department of Alcohol and Drug Programs  
Licensing and Certification Division  
1700 K Street, 3rd Floor  
Sacramento, CA 95811*

Application packets for AOD licensure and certification can be downloaded from these ADP web pages:

Initial Licensing Application  
<http://www.adp.ca.gov/Licensing/InitialLicensureApp.shtml>

Initial Certification Application  
<http://www.adp.ca.gov/Licensing/InitialCertificationApp.shtml>

## **10. Can I get financial assistance to open an AOD facility?**

Funding sources can be located through ADP's Resource Center at:

<http://www.adp.ca.gov/RC/fundinfo.shtml>

Information regarding funding from the federal Substance Abuse and Mental Health Services Administration (SAMHSA) can be found on the SAMHSA website, [www.samhsa.gov](http://www.samhsa.gov).

For nonprofit health care facilities, the Cal-Mortgage Loan Insurance program offers assistance in obtaining private financing for developing or expanding services. Contact the California Office of Statewide Health Planning and Development, Cal-Mortgage Loan Insurance Division, 400 R Street, Suite 470, Sacramento, California 95811, call (916) 319-8800 or email [cminsure@oshpd.ca.gov](mailto:cminsure@oshpd.ca.gov)

The website for the California Association of Addiction Recovery Resources, [www.caarr.org](http://www.caarr.org), also has useful information.

## **11. Will I need a zoning permit or local land use permit?**

No conditional use permit, zoning variance, or other zoning clearance that is not required of a single-family residence in the same zone shall be required of an alcoholism or drug abuse recovery or treatment facility that serves six or fewer persons.

All applicants are responsible for ensuring they meet all required city and county local ordinances.

## **12. What role do other government agencies play in the licensing process?**

ADP is the sole licensing authority for residential nonmedical alcoholism or drug abuse recovery or treatment facilities.

Local officials are involved in the zoning of property for commercial or residential use and issuance of use permits and business licenses. Facilities providing services to six or fewer persons are subject to any laws that apply to other single-family residences in the same zone, pursuant to the Health and Safety Code, beginning with Section 11834.20.

Facilities utilizing central food service may also be subject to special permits issued through the local health department.

Local fire safety inspectors (or a representative from the State Fire Marshal's Office) conduct site visits in every facility applying for licensure to determine compliance with fire safety regulations. Although ADP may issue a license without regard to a conditional use permit, no license can be issued without an appropriate fire safety clearance. A valid fire clearance must be maintained.

The Federal Fair Housing Amendments Act of 1988 provides protection from discrimination to facilities serving persons recovering from problems related to the use of alcohol or other drugs.

## **13. How do I get referrals or clients for my facility?**

ADP does not refer clients to facilities.

Contact the County Alcohol and Drug Program Administrator or local organized alcohol and other drug recovery groups,

including Alcoholics Anonymous and Narcotics Anonymous, for possible referrals/clients.

## **Complaints**

### **14. How do I file a complaint about an AOD program?**

ADP investigates complaints that deal with violations of the law, regulations, and/or certification standards, including facilities alleged to be operating without a license. ADP initiates an investigation within 10 working days of receiving the complaint.

Complaints can be made anonymously. To file a complaint, call toll free (877) 685-8333 or (916) 322-2911, email [LCBcomp@adp.ca.gov](mailto:LCBcomp@adp.ca.gov) or fax a completed complaint form to (916) 445-5084. The complaint form is available at <http://www.adp.ca.gov/feedback/Form-ComplaintADP.shtml>.

Or you may write to the department at the address below.

### **15. How can I be assured that someone will investigate my complaint?**

ADP will investigate all complaints that deal with violations of law, regulations, and/or certification standards. A facility is evaluated according to Division 10.5 of the Health and Safety Code; Title 9, CCR; and/or the Alcohol and/or Other Drug Program Certification Standards, depending on whether the facility is licensed or certified.

### **16. How does the state investigate situations involving unlicensed facilities?**

If ADP receives a complaint about a facility alleged to be operating without a

license, ADP staff will open an investigation within 10 working days of receipt of the complaint. If ADP finds that services are being provided unlawfully, ADP will order the facility to cease operation. ADP also has the authority to assess fines for noncompliance if unlicensed facilities fail to cease operating. ADP may ask for court assistance to order closure of a facility.

**17. How can a completed or closed ADP inspection report and/or complaint investigation report on a facility be requested?**

The Public Records Act provides the public access to certain information following the completion of on-site inspections. You may request a copy of any completed or closed inspection report or complaint investigation by submitting a written request to:

*Department of Alcohol and Drug Programs  
Office of Legal Services  
Public Information Requests  
1700 K Street, 5<sup>th</sup> Floor  
Sacramento, CA 95811*

A Public Records Act request may be submitted electronically at  
<http://www.adp.ca.gov/PRA/prar.asp>

Your request must provide the name and location of the facility and the year the report or investigation was completed.

**Drug Medi-Cal Facilities**

**18. What is the difference between being certified for AOD program services and being certified for the Drug Medi-Cal (DMC) program for substance abuse treatment services?**

AOD certification indicates that a program meets a minimal level of service quality and that the program is in substantial compliance with ADP's AOD certification standards.

A clinic that is DMC certified and has a contract with either the county or the state is authorized to provide and be reimbursed for services that have been approved by a physician as medically necessary to an individual who is otherwise Medi-Cal eligible.

**19. What can I do to prepare for DMC certification?**

Prospective applicants for DMC certification are encouraged to attend a free DMC orientation session conducted by ADP. The DMC orientation will explain the requirements in the application process and the procedures to follow once a provider is certified. The session also serves as a source of technical assistance through the application process. Upon completion of the orientation, the applicant is issued a Certificate of Completion, which must be attached to the DMC application. For more information on free upcoming DMC orientation sessions, contact LCD at (916) 322-2911 or email [DMCAnswers@adp.ca.gov](mailto:DMCAnswers@adp.ca.gov).

Applicants must also send a letter to the County Alcohol and Drug Program Administrator who has jurisdiction where the clinic will be located. The letter should inform the county that the applicant is submitting a DMC Certification application to ADP. A copy of the letter must also be attached to the DMC application.

**20. How do I become DMC certified?**

Once ADP determines that the provider's application is complete, an on-site review is scheduled to ensure that the clinic is in



full compliance with Federal and State Medicaid requirements. Once the requirements are met, certification is granted.

For more information on the DMC application process and requirements, contact LCD at (916) 322-2911 or email [DMCAAnswers@adp.ca.gov](mailto:DMCAAnswers@adp.ca.gov).

An Initial Drug Medi-Cal Certification application packet can be downloaded at [http://www.adp.ca.gov/Licensing/pdf/DMCA\\_Drug\\_Medi-Cal\\_Application.pdf](http://www.adp.ca.gov/Licensing/pdf/DMCA_Drug_Medi-Cal_Application.pdf).

## **21. How can I get reimbursed for providing DMC services?**

Providers cannot bill for DMC reimbursement without a contract with the county where the facility is located, or directly with ADP. Participation in the DMC program requires both DMC certification and a contract. Certification alone does not guarantee a contract or entitle funding from the county or the State.

If you have met all the requirements, then you are eligible to be reimbursed for your services. The services eligible for reimbursement are outpatient drug-free narcotic treatment, day care habilitative, naltrexone, and perinatal residential.

Information regarding the contract process can be obtained directly from the County Alcohol and Drug Program Administrator where the clinic will be located.

Since the DMC program is considered a covered entity under the Health Insurance Portability and Accountability Act (HIPAA), claims submitted by the DMC clinic must be HIPAA compliant. The HIPAA 837 Professional (837P) claim transaction is the required claim format for State reimbursement of DMC services provided to eligible patients.

For more information on HIPAA, contact the ADP HIPAA Compliance Section at (866) 431-7744. For more information on DMC billing, call ADP's Fiscal Management Accounting Branch at (916) 323-2043.

## **General Questions**

### **22. Do AOD treatment counselors need to be certified?**

The Counselor Certification regulations became effective on April 1, 2005, under California Code of Regulations (CCR), Title 9, Division 4, Chapter 8, commencing with Section 13000. Any individual providing intake, assessment of need for services, treatment or recovery planning, or individual or group counseling to participants, patients, or residents in an ADP-licensed or -certified facility is required by the State of California to be certified.

To obtain certification, counselors must register within six months of hire date with one of the certifying organizations listed in the regulations; from the date of registration, counselors have five years to become certified.

Information on counselor certification and the certifying organizations is available at <http://www.adp.ca.gov/Licensing/LCBhome.shtml>

For more information, call LCD at (916) 324-2470.

### **23. How can I be assured that information about my participation in a licensed or certified AOD treatment or recovery program remains private?**

The federal government enacted regulations in the early 1970s to guarantee the confidentiality of information regarding an individual that is receiving alcohol and/or drug abuse prevention and treatment services. These regulations ensure that the names of persons seeking treatment will not be divulged. The regulations (Title 42, Code of Federal Regulations, Part 2) apply to any licensed and/or certified recovery or treatment program and all the personnel connected with that program.

In 1996, Congress also enacted Public Law 104-9 known as the Health Insurance Portability and Accountability Act (HIPAA). One of the provisions under HIPAA requires the Federal Department of Health and Human Services to adopt national standards for electronic health care transactions, as well as privacy and security rules to protect an individual's identifiable health information. ADP and California's licensed and certified AOD programs are required to comply with stringent confidentiality rules under Federal regulations. For more information on HIPAA, contact the ADP HIPAA Compliance Section at (866) 431-7744.

**24. Are there facilities that provide alcohol and/or other drug treatment or recovery services that are licensed by other agencies?**

Facilities that have an alcohol and/or other drug recovery or treatment service component and are seeking additional funds from ADP may be required by their funding agency to obtain certification from ADP.

The California Department of Social Services licenses group homes and oversees an array of organizations that

provide care, supervision, and services for children at risk. The alcohol and/or other drug recovery or treatment component of these facilities may also be certified by ADP.

The California Department of Public Health licenses chemical dependency recovery hospitals, which provide inpatient alcohol and/or other drug recovery or treatment services.